Supreme Court, U.S.
FILED
MAR 07 2016
OFFICE OF THE CLERK

No. 15-446

In the

Supreme Court of the United States

CUOZZO SPEED TECHNOLOGIES, LLC,
Petitioner,

v.

MICHELLE K. LEE, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, PATENT AND TRADEMARK OFFICE
Respondent.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF OF *AMICUS CURIAE* LICENSING EXECUTIVES SOCIETY (U.S.A. AND CANADA), INC. IN SUPPORT OF NEITHER PARTY

CHARLES W SHIFLEY*
BANNER & WITCOFF, LTD.
10 SOUTH WACKER DRIVE
SUITE 3000
CHICAGO, IL 60606
(312) 463-5000
cshifley@bannerwitcoff.com

GARY D. FEDOROCHKO
BANNER & WITCOFF, LTD.
1100 13TH STREET, N.W
SUITE 1200
WASHINGTON, D.C. 20005
(202) 824-3000

** Counsel of record*

March 7, 2016

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I. INTEREST OF *AMICUS CURIAE*

The Licensing Executives Society (U.S.A. and Canada), Inc. ("LES") is an independent, non-profit, non-partisan, professional society devoted to bringing the fruits of innovation rapidly to market for the benefit of the global community.[1]

Founded over 50 years ago, LES is a diverse community of over 3,000 business executives, lawyers, and consultants engaged in the orderly transfer of intellectual property rights in all industries. LES is engaged in education, identification of best practices in IP transactions, IP protection, and IP strategy. LES counts among its members experts in the IP strategy, business management, accounting, business development, supplier management, program management, sales, marketing, and IP valuation fields. Among these are representatives of innovation oriented companies from all business sectors, government agencies, and university laboratories. LES is a founding member society of a worldwide network, the Licensing Executive Society International, Inc. ("LESI") of more than 10,000 IP management practitioners in 32 regional societies in 90 countries.

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[1] Pursuant to Supreme Court Rule 37.6, no counsel for a party authored this brief in whole or in any part or made a monetary contribution intended to fund preparation or submission of the brief, and no person other than the *amicus curiae*, its members, or its counsel, made such a monetary contribution. The parties consent to the filing of this brief.

II. SUMMARY OF ARGUMENT

The parties have sufficiently addressed the legal issues surrounding the claim construction standard to be used in the post-grant proceedings created by the America Invents Act (the "AIA"), known as Inter Partes Review ("IPR"), Post-Grant Review ("PGR"), and Covered Business Method Review ("CBM"). As a professional society dedicated to promotion of best practices in IP transactions, IP protection, and IP strategy, LES might be particularly well-suited to assist the Court with evaluation of the practical impact of its decision in this case.

LES is concerned that IPR, PGR, and CBM reviews of patents using the broadest reasonable construction standard ("BRI") diminish the value of patents. They diminish the value of all patents, as the procedures are available to be used against all patents. The essential need is to recognize that the AIA, though well intentioned, has proven catastrophic for innovators and entrepreneurs. *See* Testimony of Brian P. O'Shaughnessy, Chairman-Elect, LES, Before the Senate Committee on Small Business & Entrepreneurship, "An Examination of Changes to the U.S. Patent System and Impacts on America's Small Businesses," February 25, 2016, at 8 ("O'Shaughnessy"), available at www.sbc.senate.gov.[2] The reasoning is simple – at the PTAB the

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[2] The testimony is available specifically at http://www.sbc.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=4965AFC0-A04D-4001-B6E7-A238E620049E&Statement_id=A2CE4848-42DD-484F-A9CA-8038D117C813&ContentType_id=14F995B9-DFA5-407A-9D35-

challengers have a lower burden for invalidating patents. *Id.* Patent owners including LES members and those represented by LES members have even experienced negotiations through threats of IPR filings, intended to diminish the values of the threatened patents.

Patent owners can reasonably view their patents as being threatened and tested in IPRs *not* for what they are, but for what they *are not*. Patents have the scope provided to them by virtue of their literal claims, given interpretation for ordinary meaning and usage of trade by persons of skill, in context, under cases such as *Teva Pharmaceuticals USA v. Sandoz, Inc.*, 135 S. Ct. 831 (2015), *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996), *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 741 (2002), and *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005). *Phillips* correctly followed cases such as *Festo* and eliminated claim interpretation primarily by dictionary definition – which is essentially BRI. When patents are challenged in IPRs using BRI, they are challenged for what they are not, broader than they are correctly construed under *Teva*, *Markman*, *Festo* and *Phillips*, and not construed correctly for what they are.

If IPRs were to change in ways other than BRI, for example, by change from current standards and practices for claim amendments, to broadened standards, value could be restored. But the AIA as

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implemented now has undermined confidence in the validity of patents, and calls into question the commercial value of all of them. O'Shaughnessy at 9.

III. ARGUMENT

A. Background on the value of patents, patent licensing and the AIA with broadest reasonable construction

The nation was conceived in liberty and dedicated to all being equal, but – as it happens, eleven score and seven years ago – the Constitution reconceived and rededicated the nation to more principles, including the principle of advancing knowledge of the world through rights for inventors. U.S. Const. Art. I. Sec. 8, Clause 8. The Constitution enshrined for the benefit of the American people an economic policy of rewarding inventors, and rewarding them well, if their inventions were desirable, with exclusive rights in their discoveries for all such times other than perpetual that Congress should provide for them. *Id.*; *see Eldred v. Ashcroft*, 537 U.S. 186 (2003). As in *Festo* at 730-1: "The patent laws 'promote the Progress of Science and useful Arts' by rewarding innovation with a temporary monopoly. U.S. Const., Art. I, § 8, cl. 8. The monopoly is a property right... inventors ... rely on the promise of the law to bring the invention forth ..."

Patent rights were constitutionally meant to be and are still meant to be valuable. The Founding Fathers believed that "ingenuity should receive a liberal encouragement." 5 Writings of Thomas

Jefferson 75-76 (H. Washington ed. 1871); *see* also O'Shaughnessy at 1-2. The Congress that generated the AIA also believed they needed to execute on a "constitutional imperative." *See* the statement of intent and purpose of the House Judiciary Report on H.R. 1249, H.R.Rep.No. 112-98, at 38-40 (2011) ("the AIA House Report"). Congress believed they "must promote innovation by granting inventors temporally limited monopolies on their inventions." *Id.* The strength of the patent system continues to be a significant public policy concern and is the focus of significant legislative activity. *See* STRONG Patents Act of 2015, S632, 114th Cong. (2015).

A strong patent system encourages innovation, is essential to economic success, promotes the chances of success for small, large, new and existing companies, provides jobs and economic revenue in patent-intensive industries, and allows the United States to maintain its status as the world's innovation leader. *Id.* § 101; O'Shaughnessy at 2, 4-6.

The economic benefits of inventions and patents are indisputable. Intellectual property-intensive industries support 40 million jobs and contribute $5.06 trillion dollars to the U.S. economy, over one-third of the U.S. gross domestic product. U.S. Dep't of Commerce, Intellectual Property and the U.S. Economy: Industries in Focus at vi-vii (2013). Patents convert inventions to descriptions in words called claims that make the scope of the inventions as readily discernable as possible by all involved, primarily as a matter of the construction of written instruments. *See Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 386, 388, 389 (1996). Patents also convert inventions into time-limited rights and

teachings of those rights, such that upon patent expiration, the inventions become available to the public, and are not kept longer, such as in perpetuity, as trade secrets.

The value of patents is rooted in the scope of the rights that they confer. At their core, patents confer a right to exclude others from, *inter alia*, making, using, offering to sell, selling or importing into the United States the patented inventions as stated in the claims. *See* 35 U.S.C. § 271 (a) *et seq*. Uniformity in interpretation of patent rights has virtue and is important. *Markman* at 390. The limits of the patent are to be known without a zone of uncertainty, to the benefit of all involved. *Id.*

One obvious way that innovators and patent owners can derive value from their patents is by excluding their competitors from practicing the patented inventions, giving themselves a valuable edge in the marketplace. They can better gain investments in their businesses from the venture community, for example for startups more than 50% better. O'Shaughnessy at 2. Another important way patent owners can derive value is by licensing their patented inventions to technology implementers. Licensing patent owners may "go back to the lab ... for more research." *Id.* Licensing patent owners have included such venerated inventors as the Wright brothers, who taught us to fly, and after their patents expired, let us do it for free. *See* D. McCullough, The Wright Brothers, Simon & Schuster 2015.

Through licensing, some highly inventive companies can extract tremendous value from their patents. It is reported that Microsoft and Ericsson

generate more than $2 billion in annual licensing revenue, and Qualcomm, regarded as a leader in patent licensing, reportedly generates more than $6.6 billion in annual licensing revenue. *See* Terry Ludlow, *Trends In Technology IP Licensing*, IPO Law J., Dec. 10, 2014, at 4, available at http://www.ipo.org.

Private industry is not alone in deriving significant value from patents and patent licensing. According to the fiscal year 2014 survey by the Association of University Technology Managers ("AUTM"), there were over 5,400 new patent licenses executed by U.S. universities, hospitals and research institutions in fiscal year 2014 (an increase of 4.5% over 2013). AUTM, *Highlights of AUTM's U.S. Licensing Activity Survey*, FY2014, at 7, *available* at http://www.autm.net. The prior year's version of the AUTM survey cites to a study by the Biotechnology Industry Organization ("BIO"), which estimates the economic impact of university and nonprofit patent licensing from 1996 to 2010 was as much as $388 billion on the U.S. gross domestic product and $836 billion on the U.S. gross industrial output, while creating as many as 3 million jobs. AUTM, *Highlights of AUTM's U.S. Licensing Activity Survey*, FY2013, at 8, *available at* http://www.autm.net.

Patents are only as valuable as the exclusion rights that they confer and, as a corollary, the respect with which they are treated. Prior to creation of the Federal Circuit in 1982, there were circuit splits on various patent-law issues, with certain circuits perceived as "pro-patent" and others as "anti-patent," resulting in much forum shopping. *See* H.R.

Rep. No. 97-312, at 20-21 (1981). Forum shopping was found to increase litigation costs, decrease the ability to advise clients, and "demean[] the entire judicial process and the patent system as well." *Id.* at 21. Thus, the Federal Circuit was created to "provide nationwide uniformity in patent law," "make the rules applied in patent litigation more predictable," and "eliminate the expensive, time-consuming and unseemly forum-shopping that characterizes litigation in the field." *Id.* at 20; *see* also *Markman* at 390 ("It was just for the sake of ... desirable certainty that Congress created the Court of Appeals for the Federal Circuit.")

When patents are given little respect, they afford less value. For example, the accused infringer in *Underwater Devices Inc. v. Morrison-Knudsen Co.*, 717 F.2d 1380 (Fed. Cir. 1983) was advised that because there was an 80% chance the patent might be invalidated during litigation, it should refuse to even engage in licensing discussions with the patent holder. *Underwater Devices*, 717 F.2d at 1385. Only if the accused infringer was sued was it advised to negotiate a royalty—one based only on the cost of the litigation, not the value of the technology. *Id.*

Not only did the *Underwater Devices* infringer's conduct fly in the face of the presumed validity of patents, *see* 35 U.S.C. § 282 (a), but it epitomized the "flagrant disregard of presumptively valid patents without analysis" abound at a time "when widespread disregard of patent rights was undermining the national innovation incentive." *Knorr-Bremse v. Dana Corp.*, 383 F.3d 1337, 1343 (Fed. Cir. 2004).

Thus, without an effective deterrent to the type of "flagrant disregard" found in *Underwater Devices,* patent rights are devalued. Free riders, such as the infringer in that case, can avoid even discussing a license unless and until they are sued by the patent owner.

Infringers, patent holders, and the Congress well know that patent suits remain expensive. According to the American Intellectual Property Law Association's ("AIPLA") 2015 Report of the Economic Survey, the median cost of a patent infringement suit with more than $1 million at risk ranges from $2 million to more than $5 million. Am. Intellectual Prop. Law Ass'n, *AIPLA Report of the Economic Survey,* 37 (2015).

The AIA was passed not only to execute on the constitutional imperative to grant patents, but also to provide enhanced reexamination, and provide the new IPR, PGR and CBM proceedings as desirable alternative avenues to litigation, for the challenge of the validity of patents that have issued. *See* the AIA House Report at 45-48. In describing enhancements to reexamination, the AIA House Report at 46 stated that written statements of patent owners regarding patent claim scope were made available if made in court or the USPTO. The purpose was "to determine the proper meaning of the claims." *Id.* In explaining IPRs, the AIA House Report stated that IPR petitioners were to "bear the burden of proving that a patent is invalid." *Id.* at 47. PGRs were added to extend post-grant reviews beyond patents and publications, but "still protecting the rights of inventors and patent owners against new patent challenges unbounded in time and scope." *Id.* at 48.

Nothing in the AIA or the AIA House Report indicates that Congress wanted BRI for patent claims in IPRs, PGRs, or CBMs. Congress knew that the USPTO was using BRI in reexaminations, *Id.* at 45, but also knew that a variety of USPTO reexamination practices were faulty, *Id.* at 48 ns. 33, 34. Congress also knew that the courts were enhancing patent law practices, AIA House Report at 39, and knew that a Federal Trade Commission report on patents stated that the "Federal Circuit's 2005 en banc Phillips decision ... mark[ed] a beneficial step" in patent law. *See* the AIA Report at 164 n. 1; *see* Federal Trade Commission, The Evolving IP Marketplace: Aligning Patent Notice and Remedies with Competition (Mar. 2011) at 102, available at http://www.ftc.gov/os/2011/03/110307 patent report.pdf. *Phillips* addressed a notorious split at the Federal Circuit. Congress could not have been unaware that in *Phillips*, the Federal Circuit eliminated claim interpretation primarily by dictionary definition, which is essentially BRI, in litigation.

Patents, and the licensing thereof, are an important part of the United States economy. The promotion of strong patent rights is vital to the continued economic success of our nation. Patent owners deserve protection against IPRs "unbounded in ... scope." AIA House Report at 48.

But challengers to patents have quickly understood what they have in having IPRs with BRI. They "exceeded even [the USPTO's] largest expectations" in their use of IPRs. *See* Michelle Lee, Deputy Under Secretary of Commerce for IP and USPTO Deputy Director, Remarks at American

Intellectual Property Law Association (AIPLA) Mid-Winter Meeting January 30, 2014, available at http://www.uspto.gov/about-us/news-updates/remarks-american-intellectual-property-law-association-aipla-mid-winter-0. Challengers have filed 4,049 patent validity challenges as IPR petitions. *See* USPTO Patent Trial and Appeal Board Statistics 1/31-2016 at 2, http://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board-0. They have caused the start of 1,669 IPR trials. *Id.* at 7 (upper left chart, total of 557+801+311).

These challenges and trials have cost the challengers an estimated $59.8 million in governmental filing fees alone. The math is as follows: 4,049 petitions times an estimated $9,000 IPR request fee, each = $36.441 million + 1,669 petitions granted times an estimated $14,000 post-institution fee, each = $23.366 million = a total of $59.8 million. (In contrast, the highest Patent Office patent issuance fee (other than an expensive extension fee) is a request for prioritized examination of $4,000). *See* http://www.uspto.gov/learning-and-resources/fees-and-payment/uspto-fee-schedule.

The associated expenses to bring the challenges are conservatively estimated as equal to ten times the governmental fees, an amount of $598 million. This is an extremely conservative $135,648. per IPR petition for lawyers' and experts' fees, all in. (Many law firms quote $250,000 as average for lawyers' fees.)

Thus, IPR-with-BRI challengers are expressing their understandings that they are getting value for their nearly three-quarters of a billion dollars – or

more, possibly much more – in monies committed to IPRs. ($59.8 million + $598 million = $657.8 million).

Gaming of the system has already occurred as well, as stock short sellers have begun to use IPR filings to gain windfalls on head-hunted company stock values. *See*, e.g., http://www.wsj.com/articles/hedge-fund-manager-kyle-bass-challenges-jazz-pharmaceuticals-patent-1428417408

Concerning Article I courts such as the Patent Trial and Appeal Board, there can be but little question that constitutionally, Article I courts – in contrast with Article III courts – may adjudicate private patent validity disputes. This Court has stated that Congress may supplant a common-law cause of action with a statutory cause of action that inheres in the Government. *Granfinanciera SA v. Nordberg*, 492 U.S. 33, 53 (1989) (quoting *Atlas Roofing v. Occupational Safety and Health Review Comm'n.*, 430 U.S. 442, 458 (1977). Acting for a valid legislative purpose pursuant to its constitutional powers under Article I, Congress may create a private right that is so closely integrated into a public regulatory scheme as to be a matter appropriate for agency resolution with limited involvement by the Article III judiciary. *Id.* A right to file for and pursue an IPR, PGR or CBM is a private and statutory right and cause of action. Reasonably interpreted, the action of Congress in creating these rights was for the valid legislative purpose of promoting progress in science and the useful arts by assuring that correct and only correct inventors gain patents and that all persons involved in patent challenges including inventors, patent owners, and other interested people have an efficient forum for

resolution of the challenges. The IPR, PGR, and CBM rights are closely integrated into the larger patent scheme and the matters of comparison of patent claims to prior art for novelty and obviousness are central to the training, understanding, and work experiences of Patent Office personnel.

There also can be but little doubt that final Patent Office decisions in IPR, PGR and CBM proceedings may bind patent owners and challengers. *See B&B Hardware v. Hargis Industries*, 575 U.S. _, 135 S.Ct. 1293, 1303-04 (2015). They bind in later proceedings on issues that are identical. *Id.* at 1306. See also 35 U.S.C. § 315(e) (estoppel of challengers).

Further, IPR, PGR and CBM proceedings currently exist with the Federal Circuit affirming several Patent Office and PTAB practices that confine or erode patent owner rights in these proceedings. As an example, the Federal Circuit reviews IPR, PGR and CBM fact finding only for substantial evidence, "more than a mere scintilla, ... such relevant evidence as a reasonable mind might accept as adequate." *E.g., Nike, Inc. v. Adidas AG*, 2014—1719 (Fed. Cir. Feb. 11, 2016). The Federal Circuit affirms that the Patent Office may put the burden on patent owners to prove that potential substitute claims offered in IPR, PGR and CBM proceedings are patentable. *E.g., Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292, 1306-08 (Fed. Cir. 2015). The Federal Circuit affirms that the burden extends to proof in relation to the prior art known to the patent owner as well as the prior art relied on by the patent challenger. *Nike* at 39-40. The "prior art known" is defined as the prior art the patent owner

makes known in the proceeding. *Id.* The Federal Circuit affirms that the Patent Office may confine the patent owner to one substitute claim for each challenged claim, and require proof that more claims are patentably distinct from each other. *E.g., Nike* at 22-24.

And while not yet affirmed by the Federal Circuit, there are other PTAB practices in use that confine the rights of patent owners. The PTAB refuses to apply assignor estoppel, for example, allowing those who would otherwise be prevented from patent challenges in the courts to challenge patents in the PTAB. *See Synopsys, Inc. v. Mentor Graphics Corp.*, IPR2012-00042, Paper 60 at 16-17; *Redline Detection, LLC v. Star Envirotech, Inc.*, IPR2013-00106, Paper 40; *Athena Automation Ltd. v. Husky Injection Molding Sys. Ltd.*, IPR2013-00290, Paper 18 at 12-13; *Palo Alto Networks, Inc. v. Juniper Networks, Inc.*, IPR2013-00369, Paper 16 at 11-14.

It is with this background that LES submits the following analysis of the possible practical outcomes of the Court's decision on the first issue to be addressed by the Court.

B. Patent owners are losing their patents in IPRs where patent claims properly interpreted under *Phillips* have not been proven to be invalid.

The first issue in this case is whether the BRI standard of claim interpretation or construction in IPR, PGR and CBM proceedings is within Patent Office power and wisdom. If the answer results in the

Patent Office continuing to apply the BRI standard, then patent owners are losing their patent claims through cancelation by the Office where the claims have not been proven to be invalid under the *Phillips* standard applied in Article III courts. *See* 35 U.S.C. § 318(b)("[T]he Director shall issue ... a certificate canceling any claim ... determined to be unpatentable ..."). Patent owners are losing their patent rights to cancelations that have not actually tested their patent rights, because their rights are such rights as exist for them in a *Phillips* interpretation system.

A poster child for this truth is *PPC Broadband, Inc. v. Corning Optical Communications RF, LLC*, 2015-1361 (Fed. Cir. Feb. 22, 2016). There, the Federal Circuit reviewed a PTAB conclusion that all the claims at issue of three patents were invalid under broadest reasonable construction of the term "continuity member." The Federal Circuit expressly stated that there was a significant difference between broadest reasonable construction and *Phillips* construction. The court expressly stated the difference was outcome determinative:

> This case hinges on the claim construction standard applied – a scenario likely to arise with frequency. And in this case, the claim construction standard is outcome determinative.
>
> ... claim construction in IPRs is not governed by *Phillips*. Under *Cuozzo*, claims are given their broadest reasonable interpretation ... not ... the correct construction under ... *Phillips* ...

On the basis of the IPR interpretation of the claims – claims that would have survived under *Phillips* – the court affirmed PTAB cancellation of claims. *Id.* at 19-20.

A reasonable view of patent owners in this system of canceling patent claims they have without the testing of them as they own them under *Phillips* is that they are being deprived of their patent property rights in a system that does not even acknowledge the truth of what their rights are. It is a system of artificial interpretation of their rights, misconstruction of their rights, a weakening of their rights. LES sees the system as undermining patents.

An equivalent in real estate would be an administrative system that allowed challenges to the titles of land owners and invalidated their titles if their deeds covered the property they claimed but also extended to bits of property owned by surrounding landowners. In that system, first the deeds would be interpreted as broadly as reasonably possible, and then the deeds would be analyzed for their land coverage as interpreted. Instead of interpreting the deeds as land owners understood and asserted them to exist, and as the deeds would be interpreted in courts, the deeds would effectively be interpreted for maximum invalidation. The land owners would have their deeds canceled, solely on the technicality that their deeds could be hyper-inflated to cover bits of property never claimed to be owned. A taking would occur, a taking from the land owners of the land they never claimed to own but also all of the land they actually owned, no matter how intense their past investments in their lands.

This system could be understood to make no sense to land owners and make no sense to patent owners. It would hardly appear to be the system of reward achieving the economic policy the Constitution enshrined. Land and patent owners could both be expected to disrespect the government that employed such a system. They could be expected to raise an outcry, seek change, and potentially leave the jurisdiction of the government and start new property holdings outside its reach. Some could also be expected, leaving or not, to act out of ill will in take-down challenges to the deeds of all those who cost them their properties, in revenge. A patent review system should not be like this.

As explained in the background above, challengers to patents know what they have, in having IPRs with BRI, in filing 4,409 IPR petitions provoking 1,669 IPR trials and costing the challengers an estimated amount soon to be three-quarters of a billion dollars. They and the gamers of the system both know what they have – what they should not have.

The Patent Office and the Federal Circuit defend this situation on the assertion that Congress wanted this situation and the Patent Office is free to bring this situation into existence by regulation. But in defending, they seem to have missed some points.

IPRs are supposed to review "the patent." 35 U.S.C. § 311. A review of "the patent" interpreted under *Teva, Festo, Markman, Phillips* and the like is a review of "the patent." A review under BRI is not a review of "the patent." It is a review of an artificial construct – a you-can't-win-Mr.-patent-owner construct – that is effectively "the BRI construct of

the patent." Congress expressed that it wanted a review of "the patent" when it expressed that it was (a) passing the AIA to execute on a constitutional imperative to provide for the grant of patents, (b) enhancing reexamination for a purpose of providing papers that would better allow a determination of the proper scope of claims, (c) providing that challengers carry the burden of proving that "a patent" is invalid, and (d) "still protecting the rights of inventors and patent owners against new patent challenges unbounded in ... scope." See the Background above.

The review is also supposed to be "only on a ground that could be raised under section 102 or 103." 35 U.S.C. § 312. With the elimination of *inter partes* reexamination by the AIA, there is no other forum than court for a ground "that could be raised."A review of a "BRI construct of the patent" is hardly a review of "the patent" "on a ground [relative to the actual patent] that could be raised [against the actual patent] under section 102 or 103." A ground that could be raised under §§ 102 and 103 in court is a ground that necessarily starts with a correct claim interpretation, under the cases including *Phillips*.

Constitutionally, private disputes over patents as to their validities seemingly may occur in Article I courts, where a statutory cause of action – *e.g.*, IPR – has supplanted a common law cause of action. But that does not mean that a statutory cause of action that is critically different than the common law cause of action – as is IPR – is proper. It also does not mean that a nation conceived and dedicated by its Constitution to principles of liberty, equality, and advancing the knowledge of the world through rights

for inventors, for the benefit of the people, must suffer a system of gunning down the rights of inventors, where the rights were potentially just gained, or may have previously been respected long into the past, through constructing artificial realities of what the rights might have been, but aren't, and then testing the artificialities.

Changes of IPR, PGR and CBM practices other than change from BRI could restore value to patents. Opportunities for claim amendments could be loosened from being illusory. If they were, then giving new limitations that patent owners introduce into potentially amended claims a BRI construction might make some sense, as the limitations might typically be getting introduced for the first time. Giving claims being amended a BRI construction in total might also make some sense, since they are being amended. But in all likelihood, limitations being added to claims would already be in other claims, and be introduced into amended claims to secure against cancelation. To the same likelihood, existing limitations in claims being amended would surely exist in unamended claims. As a result, even limited use of BRI would create confusion. And regardless, the AIA as implemented now does not an opportunity of amendment that should weigh in the balance for BRI.

IV. CONCLUSION

LES is concerned that IPR, PGR, and CBM reviews of patents using BRI diminish the value of patents. They diminish the value of all patents, as the procedures are available to be used against all

patents. The essential need is to recognize that the AIA, well intentioned, has proven catastrophic for innovators and entrepreneurs. The reasoning is simple – at the PTAB the challengers have a lower burden for invalidating patents.

Patent owners can reasonably view their patents as being tested not for what they are, but for what they are not. Patents have the correct scope provided to them in courts and especially under *Phillips*, not BRI. When patents are challenged in IPRs using BRI, they are challenged for what they are not, broader than they are under *Phillips*, and not what they are.

Respectfully submitted,

CHARLES W. SHIFLEY
BANNER & WITCOFF, LTD.
10 SOUTH WACKER DRIVE
SUITE 3000
CHICAGO, IL 60606
(312) 463-5000

GARY D. FEDOROCHKO
BANNER & WITCOFF, LTD.
1100 13TH STREET, N.W.
SUITE 1200
WASHINGTON, D.C. 20005
(202) 824-3000

Counsel for Amicus Curiae

March 7, 2016